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**Q1. What are systems? Explain in detail. Take a daily life example of system (any organization or company) and explain its component one by one in detail.**

**Systems:**

A system is a group of elements that are integrated with the common purpose of achieving an objective.

**Example:**

Purchase & Sales System

**Components of a system:**

Following are the important components of the system.

• **Input elements**

Raw Data input to the computer system

• **Process**

Computation, analysis, application of any model

• **Output elements**

Results of computation or analysis

• **Control mechanism**

Comparison of actual with expected

• **Feedback system**

Corrective action

• **Objectives**

Expected/Ideal output

**Types of Systems:**

**Open-Loop System :**

The determinant factor in an open loop system is that the information from the system is not used for control purpose. This is done by using the output to generate feedback for control purposes.

The output is not coupled to the input for measurement.

**Example:**

An information system that automatically generates reports on a regular basis and is not used to monitor input or activities.

**Closed Loop System :** Is a system where part of the output is fed back to the system to initiate control to change Either the activities of the system or input of the system .

Has the ability to control the output due to existence of

- Control Mechanism • Feedback System • Objectives

**Example :**

Budgetary control system in a company by which The results are communicated through feedback system results are compared with the objectives/budget through controls mechanism

**Open Systems :**

- A system that is connected to its environment by means of resource flows is called an open system.
- The environment exerts influence on the system and the system also influences the environment.

**Example :**

Business is a system where management decisions are influenced by or have an influence on suppliers, customers, society as a whole.Computerized system of a manufacturing entity, that takes influence from the society.

**Closed Systems:**

- A system that is not connected with its environment
- Neither environment exerts any influence on the system nor does system influence the environment.

**Examples :**

- An information system designed to control data in a research laboratory is a closed system.
- An information system designed to record highly sensitive information is a closed system so as
- To accept no input for amendment
- To give no output for disclosure

**Total Quality management of Samsung :**

The main aim of samsung Co is to offer high-quality products to its customers. Samsung Co uses the system of Total Quality Management to keep the employees satisfied and motivated. The great source of motivation among the team is the communication at the public forums and effective meeting among the employees. The company uses four basic tools of TQM such as – Control chart, Pareto chart, cause and effect diagram, and Histogram. TQM enables the company to bring all the stakeholders together. There are various organizational factors of samsung that influence Total Quality Management. The senior management of samsung believes that communication is an important key for the implementation of TQM system. The principles of the system enable the company to establish an open culture of innovation and trust. By implementing the system of TQM, samsung Co has succeeded in reducing the wastage of the whole supply chain management. The company is able to make a balance between the responsiveness and efficiency by taking into consideration the principles of TQM.

**Q2. What is Management information system? Take an example of MIS of any organization and elaborate in your own words.**

**Answer(2):**

**Management Information System:**MIS is the use of information technology, people, and business processes to record, store and process data to produce information that decision makers can use to make day to day decisions. The full form of MIS is Management Information Systems. The purpose of MIS is to extract data from varied sources and derive insights that drive business growth.

**The need for Management Information System:**

The following are some of the justifications for having an MIS system

**Decision makers need information to make effective decisions.** Management Information Systems (MIS) make this possible.

**MIS systems facilitate communication within and outside the organization** – employees within the organization are able to easily access the required information for the day to day operations. Facilitates such as Short Message Service (SMS) &

Email make it possible to communicate with customers and suppliers from within the MIS system that an organization is using.

**Record keeping** – management information systems record all business transactions of an organization and provide a reference point for the transactions.

### **Components of MIS :**

The major components of a typical MIS long-form (Management Information System) are:

**People** – people who use the information system

**Data** – the data that the information system records

**Business Procedures** – procedures put in place on how to record, store and analyze data

**Hardware** – these include servers, workstations, networking equipment, printers, etc.

**Software** – these are programs used to handle the data. These include programs such as spreadsheet programs, database software, etc.

### **MIS EXAMPLE**

#### **COMMERCIAL DATA BASES**

Specialized research firms develop ongoing commercial databases, which contain information on population traits, the business environment, economic forecasts, industry and companies performance, and other items. The research firms sell access to their databases to clients. Generally, databases are available in printed form, on computer disks, CD-ROMs, or tapes; and as online downloads from the Internet. Among the best-known database services are ABI/Inform, ProQuest, InfoTrac Web, Dow Jones Interactive, and Lexis-Nexis.



#### **DATABASE MARKETING**

Data-base marketing may be defined as a computerized technique that compiles, sorts, and stores relevant information about customers and potential customers; uses that information to highlight opportunities and prioritize market segments; and enables the firm to profitably tailor marketing efforts for specific customers or customer groups.

### **Data-base marketing works like this:**

1. It creates a bank of information about individual customers.
2. It uses that information to analyze buying and inquiry patterns, thereby creating the ability to target goods and services more accurately.
3. It can be used to promote the benefits of brand loyalty to customers at risk from competition.
4. It can fuel sales growth by identifying customers most apt to buy new goods and services.
5. It can increase sales effectiveness.
6. It can support low-cost alternatives to traditional sales methods, which can be of strategic importance in markets where margins are being eroded

**Q3.Explain Marketing Information system and its types in detail. (Note: You should make your answer understandable by taking a proper example.)**

**Answer(3):**

#### **Marketing Information System:**

The Marketing Information System refers to the systematic collection, analysis, interpretation, storage and dissemination of the market information, from both the internal and external sources, to the marketers on a regular, continuous basis.

MKIS is a type of Information System that helps the firm to achieve following objectives:

- Identification of customers for firm 's products and services.
- Development of those products and services to meet customers' needs
- Promotion of the products and services, and
  - Provision of after sale customer support

#### **Components of Marketing Information System :**

**1. Internal Records:** The Company can collect information through its internal records comprising of sales data, customer database, product database, financial data, operations data, etc.

**2. Marketing Intelligence System:** The marketing intelligence system provides the data about the happenings in the market, i.e. data related to the marketing environment which is external to the organization. It includes the information about the changing market trends, competitor's pricing strategy, change in the customer's tastes and preferences, new products launched in the market, promotion strategy of the competitor, etc.

**3. Marketing Research:** The Marketing Research is the systematic collection, organization, analysis and interpretation of the primary or the secondary data to find out the solutions to the marketing problems. Several Companies conduct marketing research to analyze the marketing environment comprising of changes in the customer's tastes and preferences, competitor's strategies, the scope of new product launch, etc. by applying several statistical tools. In order to conduct the market research, the data is to be collected that can be either primary data (the first-hand data) or the secondary data (second-hand data, available in books, magazines, research reports, journals, etc.)

The secondary data are publicly available, but the primary data is to be collected by the researcher through certain methods such as questionnaires, personal interviews, surveys, seminars, etc.

**4. Marketing Decision Support System:** It includes several software programs that can be used by the marketers to analyze the data, collected so far, to take better marketing decisions. With the use of computers, the marketing managers can save the huge data in a tabular form and can apply statistical programs to analyze the data and make the decisions in line with the findings.

**Example: Apple Inc**

In the present age, Apple is the world's second-largest information technology company. Therefore, in order to apply MIS knowledge and skill into the reality, Apple is supposed to be an appropriate firm to analyze MIS issues. These issues will be represented in following order:

1. Understanding business and information system requirements.
2. Analysing financial performance.
3. Achieve operational excellence: Analysing competitive strategy.
4. Improving decision making: developing a Website privacy policy.
5. Improving decision making: Designing the customer database
6. Improving operational excellence: Identifying supply chain management solutions
7. Achieving operational excellence:

Standing behind Board of Director, like other companies, Apple has CFO, COO, Legal, Operations, Retail, Product Marketing and Global Communication. Besides, Apple is also structured by specialized departments such as Design, Hardware, iOS Software, Software Engineering. Apple is considered as an organizational hierarchy.

To illustrate how Apple works through operating apparatus, from input to output, let's take a look at the chart below. In this chart, Apple invents or produces its products through primary activities as following order: Research and Development; Production; Marketing and Sales and finally Customer service. These activities are supported by company infrastructure, Materials management, Human resources and especially Information Systems.

**The most important information systems and technologies for Apple:** Apple's main objective has always been to be the innovation leader. The same philosophy extends even to the manner in which they manage their internal communication which showcases their superiority. In accordance with this concept they have most of the processes which are virtualization is the factor which will provide the company with a competitive advantage in the market place.

Apple Inc uses the intranet to provide the required platform for undertaking this process and this intranet in company enables the employees to access all required information from the comfort of desktop. From an external linkage point of view,

**Q4. Why Decision Making is an important factor to run an organization. Explain your answer with the help of a proper example.**

**Decision Making:** Decision making refers to making choices among alternative courses of action—which may also include inaction. While it can be argued that management is decision making, half of the decisions made by managers within organizations ultimately fail. Therefore, increasing effectiveness in decision making is an important part of maximizing your effectiveness at work. Individuals throughout organizations use the information they gather to make a wide range of decisions. These decisions may affect the lives of others and change the course of an organization.

**Steps in Decision Making:**

Decision making comprises a series of sequential activities that together structure the process and facilitate its conclusion. These steps are:

Establishing objectives

Classifying and prioritizing objectives

Developing selection criteria

Identifying alternatives

Evaluating alternatives against the selection criteria

Choosing the alternative that best satisfies the selection criteria

Implementing the decision

**Example:**

Any decision made in a company is important, no matter how small it may be. When you are making a big decision in your company, be sure to have the right people involved so that you achieve the desired outcome without huge costs. As you manage your business, you will be faced with important decisions that may impact on the future of your company. For example, a decision on whether to expand an area of your business requires research and consideration so it can take more time to reach a conclusion. Making effective decisions at all times is important for the successful operation of any business. Here are some tips to help you make the right decisions for your company:

1. Clarify whether the decision that needs to be made is your decision or someone else's. Be clear about the deadline of the decision and whether the 'decision' is important for the company.
2. If the decision is more complex, brainstorm and write down as many alternatives as you can think of. Use your resources to find out more about the implications of your options. Buy in external expertise to get involved and help you make the right decision. This can be a cost effective choice for your business.
3. Carefully consider the outcome of each of your options. Do you feel more satisfied with one potential outcome than with another? Eliminate those options that are not likely to occur.
4. Once you have made your decision, execute and implement it. You don't need to spend time second-guessing it. Decisions affect your business operations, strategy and performance every day so it is vital that you make the right ones for your company. Your business success will depend on the execution and implementation of those decisions



